

VZCZCXRO7327
OO RUEHROV
DE RUEHJM #0454/01 0710946
ZNR UUUUU ZZH
O 120946Z MAR 09
FM AMCONSUL JERUSALEM
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4352
RHEHAAA/WHITE HOUSE WASHDC
RHEHNSC/WHITE HOUSE NSC
RUEKJCS/SECDEF WASHDC
RUEKJCS/DIA WASHDC
RUEAIIA/CIA WASHDC
RUEADWD/DA WASHINGTON DC//DAS-ZD/DACS-ZK//
RUEAHQA/CSAF WASHINGTON DC//POLAD//
RHMFIUU/CMC WASHINGTON DC
RUENAAA/CNO WASHINGTON DC//POLAD//
INFO RUEHXX/ARAB ISRAELI COLLECTIVE
RUEHTU/AMEMBASSY TUNIS 7581
RUEHLO/AMEMBASSY LONDON 4566
RUEHFR/AMEMBASSY PARIS 4414
RUEHNC/AMEMBASSY NICOSIA 5908
RUEHRO/AMEMBASSY ROME 4330
RUCNDT/USMISSION USUN NEW YORK 2904

UNCLAS SECTION 01 OF 02 JERUSALEM 000454

SIPDIS

STATE PASS BBG
STATE FOR NEA, NEA/IPA, NEA/PPD
WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC
CMC WASHINGTON DC FOR POLAD

JERUSALEM ALSO FOR ICD
LONDON FOR HKANONA AND POL - TSOU
PARIS ALSO FOR POL
ROME FOR MFO

E.O. 12958: N/A

TAGS: [PREL](#) [KMDR](#) [KPAL](#) [KWBG](#) [KPAO](#) [IS](#)

SUBJECT: JERUSALEM MEDIA REACTION (03/12): HOPES FOR GREATER ARAB
"RECONCILLIATION"

Main Stories:

Papers lead for a second day with news from Palestinian "national dialogue" talks in Cairo. Al Quds reports that a permanent committee has been formed to address problems related to internal division. All papers report that Palestinian "factions" have agreed to "urgently" form a new government with "national personalities" that would serve "independent of any factional affiliation." Al Quds adds that Hamas has rejected asking Palestinian Authority Premier Fayyad to form a new government. Al Hayat Al Jadida notes that Palestinians are waiting for the "white smoke" to come from the dialogue, and that Hamas will insist on the right to select the Prime Minister and most cabinet members in any new government.

Al Quds' front page reports that Congress rejected a Republican bill to prevent Gazan Palestinians from living in the U.S. and enforce tough limitations on U.S. assistance to Gaza. In related reporting, Al Hayat Al Jadida and Al Ayyam front page a Reuters report about the U.S. asking Israel to explain why toilet paper and soap are prevented from entering Gaza. The report further quotes the World Food Program saying that Israel has blocked a Gaza-bound cargo of chick-peas, "a popular Palestinian food," for several weeks. The report quotes a Western official confirming that, "the Americans and NGOs have expressed concerns and protested," against the Israeli measures.

Al Ayyam's and Al Quds' front pages report that President Obama signed a U.S. federal budget that includes \$2.4 billion dollars for Israel, \$1.5 billion dollars for Egypt, and significant aid to Jordan and Lebanon. In related reporting, Al Hayat Al Jadida's front page cites a DPA report quoting a senior, anonymous U.S. official telling Israeli radio that the next decades' \$30 billion of U.S. aid to Israel will not be affected by the current financial crisis.

Al Ayyam and Al Hayat Al Jadida front page a report on "harassment of Palestinians by Israeli settlers" in Jerusalem on March 11. According to reports, Israeli police blocked roads to allow settlers access to the city for religious celebrations. Reporting adds that the settlers' behavior "increased tensions" in and around the Al Aqsa mosque compound. In related news, Al Quds' front page reports that the Israeli Jerusalem municipality and Israeli Ministry of Interior have issued demolition orders to seven houses in Burj Allaqlaq area in Jerusalem. Papers call the action an "effort to confiscate" 12 acres on which to build a "settlement outpost" and synagogue in "Jerusalem's Islamic quarter." In related news, Al Quds and Al Hayat Al Jadida cite Reuters in reporting on a special EU meeting on March 15 that will address "the situation in the Palestinian Territories." The papers also report on EU warnings about Israeli plans to demolish 90 Palestinian houses, calling the action, "the largest demolition of Palestinian houses in Jerusalem since 1967, causing the displacement of 1,000 people."

All papers report on the killing of a 17-year old Palestinian boy and injury of another by the Israeli military in Dir Abu Mishal village near Ramallah on March 11. Al Ayyam adds that the Israeli military arrested 35 Palestinians in Bayt Ummar near Hebron on March 11.

Al Quds and Al Ayyam front page a report on the "mini" Arab summit held on March 11 with Egyptian President Mubarak, Saudi King Abdullah, Syrian President Assad and Kuwait Emir Al Subah in Riyadh. The report reveals that the Arab leaders agreed to unify their approach on dealing with the Palestinian issue and will begin a new era of Arab cooperation.

JERUSALEM 00000454 002 OF 002

Al Ayyam's and Al Hayat Al Jadida's front pages cite an AFP report revealing that prisoner exchange negotiations between Hamas and Israel have entered a final stage. The report quotes an Egyptian source confirming that intense, difficult negotiations continue in Egypt. -----

BLOCK QUOTES:

1) Al Quds' editorial is titled, "Arab reconciliation to confront axes and challenges"(03/12): "We hope that the smaller summit held in Saudi Arabia... will contribute to achieving reconciliation and confronting threats and foreign axes, and consequently, strengthening Arab influence and national security..."

WALLES